



Annual Report

2019–2020

For the year ending 31 March 2020

Contents

The Trustees of the Association for Cultural Enterprises present their Annual Report and consolidated financial statements of the charity and its subsidiary for the year ending 31 March 2020, which has also been prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

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The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Welcome from the Chair

As we respond to the challenges of Covid-19 across our organisations I have found it difficult to reflect on the previous year. In many respects 2019-20 seems a world away, but it would be remiss of us not to fully look back on the achievements of that year.

The Association continued to receive generous support from Arts Council England; 2019-20 was our second year as a National Portfolio Organisation and a Sector Support Organisation, and I would like to thank them for their ongoing commitment and guidance. Throughout the year we continued to develop the Online Academy, part of our ambitious four-year strategy that will deliver a vital and rich resource for our sector. Robin Cantrill-Fenwick, who was pivotal in the development of the Academy moved on from the organisation this year but, in April 2020, we were delighted to welcome Tom Dykes into the role of Director of Digital. Tom has continued to develop the Academy, as well as our overarching strategy, as we become increasingly digital in our output.

During the year we delivered a great range of events and many excellent study days including A Day in the Life of St Pauls, ZSL London Zoo, and Stonehenge. These events provide exclusive and in-depth access to some of the world's great organisations and venues and we are indebted to our Members who work so hard behind the scenes to deliver them.

We also hosted a very well received day on Venue Hire at the London Transport Museum and high quality Masterclasses including 'Contracts' with Anthony Misquitta and 'Copyright' with Bernard Horrocks – just a small example of the wealth of expertise that the Association provides to its Members.

'Retail Essentials', our four-day training package also proved extremely popular and launched with sessions in Oxford and Glasgow, indicating a thirst for developing great core skills in organisations across the country.

In terms of our governance, 2019 saw our longest serving Trustee and Vice Chair, Chris Needham step down from the board. Chris's contribution to the Association's Board over many years is unparalleled and I would like to thank him personally for all the support he gave to me as Chair and for everything he has done for the organisation. At the 2019 AGM we endorsed the appointment of three new Trustees, Laura Wright, Iain Watson and Zak Mensah who have brought vital skills and perspectives to the Board.

The year ended with the cancellation of our conference – my most difficult decision since starting as Chair. We felt the loss of our annual gathering keenly, as well as the amazing energy, knowledge-exchange and camaraderie that always comes from it; we are truly grateful for the overwhelming messages of support which we received from our Members at such a trying time.

Welcome from the Chair

Despite the challenges, much was achieved in 2019-20 as a result of the excellent work of a dedicated team and the support of our Members and Associate Members who generously share knowledge and advice. These shared values are at the core of the organisation and will serve us well as we navigate the complexities of operating in a continuing pandemic. Our team, led by Jill, have been excellent throughout and I am proud of the work they do – their professionalism, knowledge, dedication and enthusiasm have shone through as we have adapted to change and attempted to understand and respond to the needs of our Members.

2020-21 and the years beyond will without doubt prove to be the most challenging period of our existence to date and we will endeavour to do everything in our power to support you and adapt to your needs. You will, I hope, have seen many new events, features, podcasts and online articles that reflect those changes.

Clearly some of our Members have been through heart breaking cuts and some remain closed as we speak.

Covid-19 remains a huge challenge but we have other adaptations that we need to make as our sector responds to the growing debate around equality and diversity be that of our workforce, the interpretation of our collections and venues or accessibility for diverse audiences. We will play a vital part in all of this and will need all our agility, compassion and creativity to respond to significant and ongoing change. As a sector we have lived through many changes and have proved adaptable and agile in our responses – we are resilient and though we will be changed by our experience we will support each other to come through this especially challenging time.

As an organisation we will continue to share best practice and insights and provide a platform to develop our skills as a sector but most importantly we will remain a home, a place of support and compassion for all of our staff and our Members.

As always I would like to thank you for your ongoing support.



Caroline Brown
Chair
Association for Cultural Enterprises



Membership Report

347 FULL Members

Up 5% from 2019

Membership is the core of our community. It is through our membership that we deliver public benefit by promoting excellence in cultural income generation, and we are grateful to all our members for their support, enthusiasm and expertise.

Our membership includes cultural institutions of all specialisms and sizes in the UK and we are fortunate to have many loyal and long-standing members (particularly in the most prestigious national institutions) who are active as delegates, speakers and providers of host venues.

The willingness to share information and expertise is the hallmark of the Association's membership offer. We ended the year with 347 Full Members, a 5% increase year on year. Associate membership remained at the previous year tally of 150. Members have been increasingly engaged with the Association, sharing success stories and case studies in the e-news and participating in campaigns such as Museum Shop Sunday and the Cultural Enterprises Awards.

There are also regular opportunities for members to meet and exchange their experiences either in person or virtually at regional Talking Shops, as well as Study Days, Masterclasses and the annual Conference. For the mutual benefit of both Full and Associate Members, the Associate Member offer has been expanded to maximise networking opportunities with Full Members, including increased sponsorship and advertising slots, an introductory feature in the e-news and a listing in the online Supplier Directory.

Conference & Trade Show

The annual Cultural Enterprises Conference and Trade Show is delivered by the Association's trading subsidiary company, to further our charitable purpose.

As a result of the Covid 19 pandemic, the planned event at Harrogate Conference Centre in March 2020 was cancelled. It is planned to hold the 2021 event in Harrogate and further updates will be posted to our website as the year unfolds.



The 2021 Cultural Enterprises Conference and Trade Show will take place at the Harrogate Convention Centre



Majestic Hotel, Harrogate



Betty's Tea Room, Harrogate

Cultural Enterprises Awards

The 2020 Cultural Enterprises Awards were rebranded to celebrate success and innovation across all aspects of commercial activity, including individual achievements, creative income generation and sustainability as well as products and publications from both institutions and suppliers.

There was a 33% increase in the number of entries this year. Four panels of judges, with specific experience of the individual categories, were appointed to undertake the task of judging the 177 entries, across 14 categories. Entries for the new categories represented 25% of the total number of entries.

This year for the first time the winners were announced online in a virtual awards ceremony. The winners produced the usual level of excellence with some original and creative new products – including flower bouquets based on well-known paintings; a pot of authentic cold cream – a traditional product for a modern market; an attractive product range from a small museum produced in collaboration with local tattoo artists. The Green Award went to The Telegraph Museum Porthcurno for Project PK and their holistic approach to sustainability and biodiversity. The Outstanding Contribution Award went to Karen O'Connor, Director of Commercial Enterprises, National Museums, Liverpool.

The Association thanks the judges for their time and diligence: -

PRODUCTS

Julie Molloy Managing Director, National Gallery Company

Matt Ripley Deputy Director of Enterprises, National Theatre

Liz Cooper Commercial Manager, Gainsborough's House Society

PUBLISHING

Declan McCarthy Head of Publishing & Licensing, Ashmolean Museum

Rebecca Nuotio Head of Commercial Brand Development & Sales, British Library

Lydia White Publishing Sales & Marketing Manager, Royal Botanic Gardens Kew

SHOPS

Jill Fenwick Managing Director, Association for Cultural Enterprises

Desi Evangelides Business Support Manager, Association for Cultural Enterprises

Sue Croxford Cultural Enterprises Awards Manager

NEW AWARDS

Bernard Donoghue Director, Association of Leading Visitor Attractions & Mayor of London's Ambassador for Cultural Tourism

Gordon Morrison CEO, Association of Scottish Visitor Attractions

Simon Maples Head of Visitor Services, Windsor Castle

Congratulations and well-deserved thanks also go to everyone who submitted entries and we look forward to the Awards in 2021.

Cultural Enterprises Awards

Winners

Best General Publication



Early Gainsborough
Gainsborough's House

Best Range Annual turnover under £1m



Bristol Tattoo Range
M Shed

Buyer's Choice Award



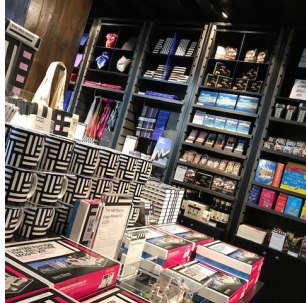
World of Eco Companions
Ravensden

Creative Commerce Award



Bookmarket Pop-up Shop
Fruitmarket Gallery

Best Shop Annual turnover over £1m



Hill House Shop
National Trust for Scotland

Buyer's Choice Award



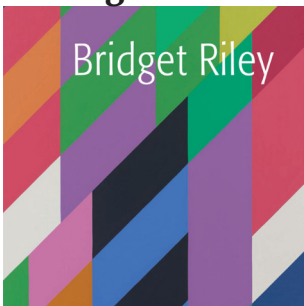
London Toys
Best Years

Outstanding Contribution



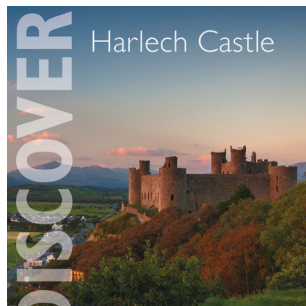
Karen O'Connor
National Museums Liverpool

Best Exhibition Catalogue



Bridget Riley
National Galleries of Scotland

Best Guide Book



Harlech Castle Guidebook
Cadw

Best Shop Annual turnover under £1m



Cart Lodge Shop
Ditchling Museum

Best Licensed Product



Prestige Flowers
National Gallery Company

Best Range Annual turnover over £1m



Proud to Support
Help for Heroes

Best Product Annual turnover over £1m



Mr Kerrison's Cold Cream
Living Museum of the North

Best Product Annual turnover under £1m



Nepti the Tiger
The Gurkha Museum Trust

Green Award



Planet PK
PK Porthcurno

Training Programme

Our training programme embraced a wide range of topics and addressed the core areas of self-generated income practiced in the sector, namely...

- Retail
- Catering
- Events & venue hire
- Publishing
- Copyright & IPR

Events were held across the country to reach the largest possible base of attendees, and the programme was balanced to appeal both to smaller organisations and to senior sector leaders.

Peer to peer Study Days formed a major part of our programme, alongside popular series such as our 'Retail Essentials' which covered the core aspects of retail over 4 individual sessions including Finance, Visual Merchandising, Shop Floor Skills and Buying. This series ran twice this year, firstly in Scotland in the Spring followed by Oxford in Autumn.

A Day in the Life is now a well-established format in the programme that takes an 'under the skin' look at one successful organisation. This year we were hosted by ZSL London Zoo, St Paul's Cathedral and Stonehenge.

In 2019-20 27 training events were held (20 Study Days plus 7 Masterclasses led by subject-matter experts), engaging 988 delegates. 93% of all event attendees rated the content of the event as 'Good' or 'Very Good' (our top categories).

The wide and varied programme of events this year attracted speakers from across the sector including representatives from Barbican, Tate, V&A, British Library, Royal Shakespeare Company, British Film Institute, Sainsbury Centre for Visual Arts, Glasgow Life, Wellcome Collection, Natural History Museum, and SS Great Britain.

This year we have continued to collect data from attendees on their travel in order to report on the environmental impact of delegate and staff travel which this year was the equivalent of 13.5 tonnes of Carbon Dioxide. In line with our Environmental Action Plan, we will continue to work to reduce this over time.

As always, we are grateful to all our speakers who give their time freely and share their expertise. We are indebted to our member institutions who host the events and help maintain the modest fees we charge to members. Not least, we are most grateful to all delegates for their enthusiastic participation.

It is an ongoing journey to ensure that the programme delivers a consistently high level of quality and relevance. We welcome input and ideas from all in the membership community, do get in touch if you would like to support us in any way.

Event Calendar 2019–20

9 Apr	Retail Essentials: Finance for Retailers	Kelvingrove Museum, Glasgow
10 Apr	Retail Essentials: Buying	Kelvingrove Museum, Glasgow
9 May	Retail Essentials: Visual Merchandising	Kelvingrove Museum, Glasgow
10 May	Retail Essentials: Shop Skills	Kelvingrove Museum, Glasgow
21 May	View from the Top	Wellcome Collection, London
13 Jun	Masterclass: Maximising Earned Income	Museum of the Home, London
17 Jun	Masterclass: Understanding Copyright	National Gallery of Ireland, Dublin
27 Jun	Study Day: Looking at Licensing	Fashion & Textiles Museum, London
12 Jul	Masterclass: Drafting and Negotiating Contracts	Museum of the Order of St John, London
22 Jul	Retail Essentials: Buying	Ashmolean Museum, Oxford
23 Jul	Retail Essentials: Finance for Retailers	Ashmolean Museum, Oxford
30 Jul	Study Day: Successful eCommerce	Old Royal Navy College, Greenwich
4 Sep	A Day in the Life: ZSL London Zoo	ZSL London Zoo, London
17 Sep	Masterclass: Understanding Copyright	Museum of the Home, London
17 Sep	Retail Essentials: Visual Merchandising	Ashmolean Museum, Oxford
18 Sep	Retail Essentials: Shop Skills	Ashmolean Museum, Oxford
25 Sep	Boosting earned income in the performing arts	Royal Opera House, London
3 Oct	Masterclass: Catering at Cultural Organisations	National Theatre, London
7 Oct	A Day in the Life: St Paul's Cathedral	St Paul's Cathedral, London
15 Oct	Masterclass: Maximising Income from Visitors	Ulster Museum, Belfast
15 Oct	Picture Library Symposium 2019	Museum of London, London
31 Oct	Study Day: Guidebooks & Exhibition Catalogues	The Hospitium, York
5 Nov	Masterclass: Visual Merchandising	Museum of the Home, London
8 Nov	A Day in the Life: Stonehenge	Stonehenge, Salisbury
19 Nov	Study Day: Creative Commerce	Sainsbury Centre for Visual Arts, Norwich
11 Feb	Study Day: Profitable Venue Hire	London Transport Museum, London
18 Feb	Study Day: Creative Commerce	Fashion & Textiles Museum, London

Regional Talking Shops

Our regional Talking Shops continue to grow and develop, and have become an important networking resource for those taking part.

The year up to March 2020 was no exception and the Talking Shop programme for the new year got off to a great start with strong attendances in London, Yorkshire, and the North West. It was reassuring to have achieved meetings in most regions before the programme shut down.

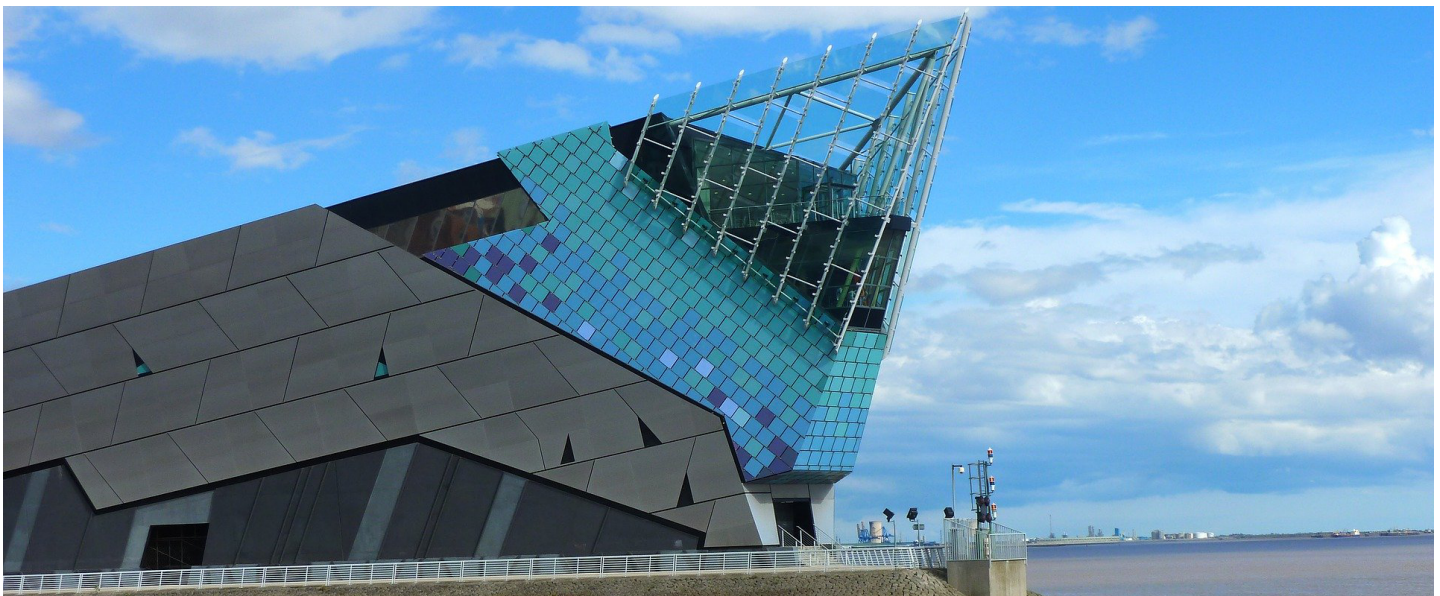
Over the last year we held regional meetings in Yorkshire, the North West, Midlands, London and the South East, South West and East of England – we also initiated our first meeting in Scotland in November and the North East, also in November.

During the period, 14 meetings were held, in venues from the Theatre Royal Plymouth, SS Great Britain, Bolton Museum, the amazing The Deep in Hull to the wonderful Chester Zoo (completely over excited due to the birth that day of a baby elephant) – bringing museum shop retailers together to compare notes and performance to network and support each other.

Both large and small shops had much to share, and agenda items included digital guidance, buying sustainable products, eCommerce, using Shopify, catering and events. All topics are suggested by the group members as being of particular value to them. Highly regarded by the attending delegates, over 250 people attended the Talking Shop meetings, representing 63 venues overall.



SS Great Britain, Bristol



The Deep, Hull

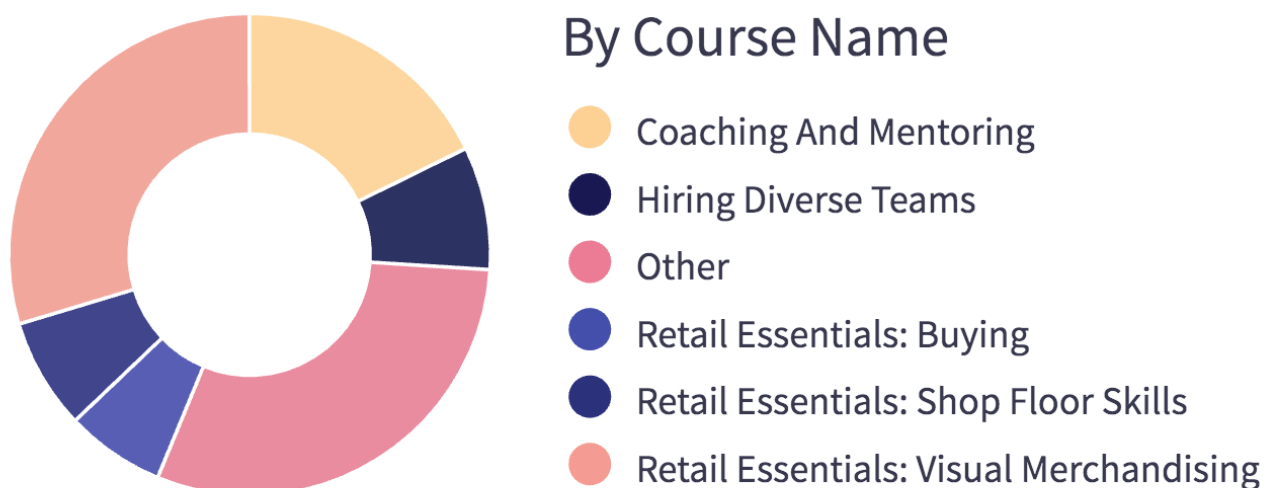
Cultural Enterprises Academy

The Cultural Enterprises Academy went live on 31 May 2019, our online learning and training resource designed to expand knowledge in key areas of cultural enterprises.

The Academy launched with the Retail Essentials series, which continue to be popular. They demonstrate the initial set of 'Introductory' courses designed to help organisations achieve best practice in key areas of income generation. Especially those without large training and staff development budgets.

The period April 2019 to March 2020 saw 501 enrolments from 255 unique students. Late March 2020 saw a huge boost in engagement as the UK went into lockdown, with 167 enrollments being made the week of 23 March alone. This suggests there is an appetite for online learning when most needed.

The most popular courses for the year were Retail Essentials: Visual Merchandising with 147 enrolments, and Coaching and Mentoring with 88. The average score out of 5 for the year is 4.8, showing how well the courses have been received.



Initially all courses were charged for individually but in March 2020 we introduced 'Membership Plus' which is a new tier of membership that includes access to all Academy content. This is already proving popular and will help deliver greater member benefits, as well as providing a more secure funding model for the Academy.

In September 2019 we engaged an Academy Programme Manager, Lucy Rees-Harris, on a freelance contract. Lucy runs the production side of the courses, ensuring scripts are ready, presenters, studios and filming is scheduled, and resulting in high-quality material to be uploaded onto the site.

Since launch, ten courses have been put live by March 2020. In 2020/21 the Academy will continue to add more courses, providing greater breadth of subject matters covered. The Association is on target to provide forty units by spring 2022.

Marketing and Communications

Spring 2019 saw the introduction of a new look for the Association, with new branding and a new website which has been very well received. The new visual identity was created to better reflect the Association's digital ambitions and to help us reach new members with greater confidence.

The new logo is built around three Cs representing Culture, Creative and Commercial, and puts greater emphasis on the phrase 'cultural enterprises' in order to highlight the Association's role in championing the vital work that our members do.

To coincide with the launch of the new website and rebrand, a 12 page printed Training Guide brochure was mailed to all lead members and distributed at outreach events such as the MA Conference. We continue to work with partner organisations across the sector on reciprocal marketing opportunities, especially the Museum Development Network, MA, AIM, Arts Council England, ASVA and AVEA.

We constantly review our communications schedule to maintain a balance between news, training and events. Now fortnightly, The Bottom Line (e-news) goes to over 5,000 recipients and continues to be a regular touchpoint for members, with consistently high engagement rates. This is interspersed with more targeted emails promoting specific events or initiatives, as well as a steady flow of social media content across all platforms. Our social media following grew by over 40% in 2019-20.

March 2020 brought a change of direction. Communications focussed on the cancellation of the conference, along with useful updates and resources to help members navigate the lockdown situation. A structured digital communications plan was swiftly put in place, including a new resources page on the website, regular blog posts, webinars, podcast episodes, virtual talking shops and a virtual trade show. All have been well received with high engagement rates and we will continue to develop our digital content throughout 2020 in response to the evolving landscape.



ASSOCIATION
for **CULTURAL**
ENTERPRISES

CULTURAL
ENTERPRISES
ACADEMY

CULTURAL
ENTERPRISES
CONFERENCE

Museum Shop Sunday

This took place on Sunday 1 December 2019 with a record 1,453 participants in 22 countries. Over 240 shops got involved here in the UK, including the first Museum Shop Market hosted by Manchester Art Gallery with 12 local venues taking part.

Striking new Museum Shop Sunday branding was created to complement the new Association branding, and a marketing pack with promotional tools was distributed to all participants, achieving great stand-out in store and online.

We continue to work closely with our international partners to promote Museum Shop Sunday as a global event, and in April 2019 our Communications & Media Manager, Jo Whitworth, spoke at the MSA Conference about the growth of the event in the UK.



John Rylands Library at the Manchester Shop Market



Joanne Whitworth with the International Museum Shop Sunday Committee at the MSA Conference

The Year Ahead

The calendar year 2020 is already proving to be an extraordinary year for the Association. Unable to plan or deliver any live training in a classroom environment since March, the team have turned their attention to providing as much online support for the sector as we can, mostly free of charge to members and non-members.

This mission will continue for the foreseeable future with fee-paying Masterclasses and Study Days being added to the digital portfolio alongside the Online Academy, access to which has been rolled into the new Full Membership Plus model so as to maximise usefulness and exposure.

We plan to re-introduce live training in the second half of 2021, if circumstances allow, but the blended learning model of online and classroom will, we hope, bring our work to a wider audience at a time when our help and guidance is needed more than ever.



Finance Report

For The Year Ended 31 March 2020

We ended 2020 with total funds carried forward of £330k (2019: £367k), which is a reduction of £37k from last year following a net operating deficit related to the Covid-19 pandemic. We remain in uncertain times, but with strong reserves and welcome support from Arts Council England, we are confident that the Association is well placed to manage the financial impact of the pandemic in 2021 and beyond.

The enforced cancellation of our Conference and Trade Show in March 2020 as a result of the pandemic had a significant impact on the Association's group income which fell by 28% compared to 2019. Nevertheless, prior to this we had seen an increase in membership income in 2020, up 15% compared with 2019, and Study Day income, up 30%. The Conference and Trade Show is managed for the Association by our subsidiary, Cultural Enterprises Trading Limited (CET) which consequently recorded a loss of £68k (2019: £41k profit).

Our operating costs increased due to continued growth in the organisation, although we avoided some costs associated with the cancelled Conference and Trade Show. The Cultural Enterprise Academy continues to develop, and costs during its second year increased to £136k (2019: £108K). We began to sell courses online and recorded a modest income for the Academy this year of £1.3k (2019: nil).

Debtors increased this year from £17k in 2019 to £63k in 2020. This is due to prepayments relating to costs incurred for the 2020 Conference and Trade Show which can be utilised for a 2021 event.

There has also been a significant rise in creditors from £71k at the end of 2019 to £254k at the end of 2020. This is primarily due to £212k of income which was received from members for places at the 2020 Conference and Trade Show. We are grateful to the membership for their overwhelming support and willingness to carry forward their places to a rescheduled future event. As at the publication date of this report, the nature and scope of any such event remains uncertain and depends upon governmental restrictions in response to Covid-19. The financial implications of the rescheduled conference are being kept under close review. Should we be required to make substantial repayment of fees, this could have a significant effect in the books of CET during 2021, and we are very grateful to Arts Council England who awarded us a Culture Recovery Fund grant of £138k in October 2020 which will help CET remain solvent and provide funding to prepare for a restart of our charitable and educational activities. This grant will be accounted for in the 2020/21 financial year.

Of the funds carried forward, £243k (2019: £243k) has been designated for specific purposes. No changes to designations were made during 2020 but given the uncertainty regarding the global pandemic and its impact on our operations, the Trustees are prepared to undesignate funds at any point should this be required to support ongoing operations in 2021.

Finance Report

Reserves Policy

Reserves are held to fund working capital, off-set unforeseeable shortfalls in income and to provide resources for future activities. The Trustees take account of the following key factors in setting the level of reserves:

- the degree of volatility in our income
- the level of dependency on the annual Conference and Trade Show
- our plans for the growth of the organisation

i. Volatility

The Association need liquid funds for working capital requirements and to cope with any unexpected drop in income. To address this, it has been our practice to take three months of operating income/expenditure (excluding the Online Academy) as a guide for the level of free reserves (i.e. unrestricted, general reserves, excluding designated reserves). On this basis, we would aim to keep between £80k - £90k in free reserves. The current value of free reserves is £80,413, which is within the target range.

The Coronavirus pandemic is affecting the Association's programme of activities and will impact both income and cost, but it is too early to say what the final effect will be. Additionally, the hugely welcome Culture Recovery Grant announced in October 2020 will help offset the negative financial impact of the pandemic during the 2020/21 financial year. On this basis, therefore, we have not revised our target range for general reserves, however, we are keeping this under review and are prepared to undesignate funds if required.

Annual Conference and Trade Show

As shown by the impact of the cancellation of the Annual Conference and Trade Show in March 2020, the organisation's programme is highly dependent on this event which accounts for a significant amount of our gross unrestricted revenue. We commit to Conference venues well in advance of raising income, and there is a risk of irrecoverable expenditure should we be unable to proceed with the conference. The Conference Expenses Fund was created to help offset this risk by setting aside funds equivalent to the cost of the following year's Conference.

Through close collaboration with our venue partner, we have mostly avoided irrecoverable costs in the cancellation of the 2020 Conference and are planning to roll forward with a conference next year at the same venue. On this basis we have not had to call upon the Conferences Expenses Fund in 2020 and it remains at £120k. Should the restrictions associated with Covid-19 continue to affect our ability to hold a Conference and Trade Show we will revisit this decision when the financial implications are understood.

Finance Report

Plans for growth

Our most significant current project is the development of the online trading academy. The Academy Fund was set up to increase visibility of this project by capturing income and expenditure relating to the Cultural Enterprises Academy. As at the end of the year £22k (2019: £23k) of funds are being carried forward.

The Association Development Fund remains the main vehicle through which the Trustees set aside funds for future growth. At the start of 2020, the fund held £100k of designated reserves as a contingency against cost overruns for the Cultural Enterprises Academy, based on a horizon of four years at £25k per year. Given the current uncertainty regarding the Covid-19 pandemic and the need to consider and develop new delivery models including increased use of online platforms, this fund is under review. The Trustees believe it is prudent to maintain this fund at £100k while this review takes place, but with the proviso that this fund can be utilised to support general funds should the need arise during 2021.

Risk Management

The Trustees have assessed the major risks to which the Charity and the group is exposed to (in so far as we are able to assess these given the high levels of uncertainty associated with the Coronavirus pandemic). Significant development in the risk register and risk mapping process have been, and continue to be, undertaken in support of this activity.

The major risks relate to the operations and finances of the Charity and the group as a result of economic uncertainty affecting income and our ability to deliver on our programme. Systems and procedures are in place to mitigate exposure to the major risks and regularly review the organisations plans and activities in order to address these risks.

Going Concern

In preparing the annual report and accounts, the Trustees have continued to adopt the going concern basis. Despite the impact of the Covid-19 pandemic, the Trustees believe the charity will continue to operate for a period of at least twelve months from the date of approval of these financial statements and will continue to meet its liabilities as they fall due for payment. The Trustees have reached this conclusion based on the available reserves and the additional support received in 2020/21, including via the Coronavirus Job Retention Scheme, funding from Durham County Council and additional Arts Council Culture Recovery Grant.

Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Objects and Public Benefit

The Association for Cultural Enterprises is a charity established to deliver public benefit through the promotion of excellence in cultural trading, which contributes to the resilience and sustainability of cultural institutions.

In planning and overseeing the Association's activities for the year, the Trustees have given due consideration to the guidance published by the Charity Commission relating to public benefit. The trustees have considered how the charity's activities contribute to our aims and objectives and are satisfied that the Association is delivering benefits to the cultural and heritage sector via its member organisations.

The Association's charitable purposes are part of the charity's objects as stated in its Articles of Association:

- 1. To provide education and training for all of its members and the general public on commerce in the cultural and heritage sector; and**
- 2. To promote the voluntary sector for the benefit of the public by assisting voluntary organisations and charities to maximise their revenue by providing a forum for sharing information and ideas on commerce in the cultural sector.**

Activities for Achieving Objectives

The Association provides education and training to its members on a wide range of commercial activities (including publishing, licensing, venue hire, film locations, retail and catering) which helps members to maximise self-generated income for their organisations. The Charity can call upon a considerable pool of expertise via its staff, Trustees, external experts and the general membership. All members are encouraged to take advantage of this expertise via formal training and online tools, as well as networks and contacts facilitated by the Charity's activities.

Formal learning and development opportunities include:

- Masterclasses delivered by expert trainers**
- Peer to peer Study Days covering a wide range of topics**
- Certified courses delivered through the online Cultural Enterprises Academy**
- The annual Conference which includes workshops, seminars and plenary sessions**

Other learning and development opportunities include:

- The LinkedIn group which facilitates dialogue and helps share best practice**
- Networking opportunities at the annual Conference, AGM and other training events**
- Online resources such as Culture Shop**
- Regional Talking Shops which offer local learning and networking opportunities**
- The Cultural Enterprises Awards which raise awareness of the quality of cultural retail**

A limited number of bursaries are available for Study Days each year which cover the cost of the delegate fee. To qualify, organisations must be an independent charity or trust, and generate income of less than £50,000 per annum from commercial activities (excluding admission charges).

Objects and Public Benefit

Membership Criteria

Membership is subject to the criteria set out in the Charity's Articles of Association. Both Full Members and Associates are warmly encouraged to attend events and meetings, but voting is constitutionally allowed only to full member organisations through their nominated representatives.

Full membership is open to any cultural organisation that is established for public benefit and registered as a charity, or otherwise run not for profit. Such organisations include museums, galleries, libraries and archives, historic buildings and houses, including religious buildings, and historic gardens.

Associate (non-voting) Membership is open to any UK cultural organisation run for private profit and any commercial companies, firms or individuals that support the Association's work. Non-profit, cultural organisations from outside the UK are also welcome to join as Associate Members.

Fundraising

The Association is funded by the subscriptions of its members, payments for education activities and profits from Cultural Enterprises (Trading) Limited. We are also supported by Arts Council England. We do not undertake any fundraising activity from the general public and as such we are not subscribed to any particular scheme of fundraising regulation.

Structure, Governance and Management

Constitution

The Charity's constitution originally consisted of a Memorandum and Articles of Association adopted at incorporation. These were subsequently amended and consolidated into a single set of Articles of Association. Cultural Enterprises (Trading) Limited (CET) is a trading subsidiary company of the Charity established by the Trustees in 2013 in order for the Charity to expand its activities and carry them out more profitably with less risk. CET's activities comprise principally the Masterclasses and Conference, with any net operating profits being donated to the Charity under Gift Aid. The results of the company are included within the Charity's consolidated accounts.

Appointment of Trustees

All Trustees are required to have one or more of the skills required to govern, manage and steer the Charity effectively. These skills include finance, retail, publishing, licensing, picture libraries, catering, film locations, venue hire, events management and general management expertise. Prospective Trustees are recruited by the means of advertisement on the Charity's website and email broadcast with candidates being interviewed by a panel of Trustees and expert advisers for suitability. All Trustees are informed of their legal responsibilities to the Charity and of governance procedures generally. Further training is given to new Trustees on appointment. Following amendments made to the Articles of Association at the 2018 AGM, the Charity may appoint up to two independent Trustees from outside the membership, to its Board.

Key Management Personnel

Alongside the Trustees, all members of staff are considered key management personnel given the current scale of the Charity's operations. This may change if the charity grows and will be reviewed annually. Setting pay within the Association is a matter for the Finance and Administration Committee. Initial salaries are discussed and agreed between the Chief Executive and the Trustees. An annual review of salaries is undertaken by the Finance and Administration Committee which takes into account performance, market rates for similar positions and the prevailing rate of inflation. The Committee are not bound to increase salaries annually. There is no bonus scheme or performance related pay mechanism. None of the Trustees receive remuneration for their roles as Trustees of the Association. Jill Fenwick and the other employees that make up the key management personnel of the Association are salaried staff, employed by the charity. The Association employees are also employees of CET.

Organisation

The Trustees delegate the Charity's day-to-day work and implementation of strategy to the Chief Executive, Jill Fenwick, who is a full time employee of the Charity and Managing Director of the trading company. There are five further employees, including two staff taken on specifically to create, roll out and manage the Cultural Enterprises Academy. Training courses are delivered either by staff from member organisations giving their time free of charge, or by industry professionals contracted to the Association or CET. Accountancy support is provided to both the Association and CET by Sandra Silk Bookkeeping. Secretarial and legal support is provided by Bates Wells.

Risk

The Charity maintains a risk register which is regularly reviewed and updated by the Finance and Administration Committee and discussed at Board meetings.

Statement of Trustees' Responsibilities

The Trustees (who are also directors of the Association for Cultural Enterprises for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and UK Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Approved by the Trustees on 02/11/20 and signed on their behalf by:



Caroline Brown
Chair of The Association for Cultural Enterprises

References and Administrative Details

Association for Cultural Enterprises

Company registered no. 06480726

Registered charity no. 1122763

Trustees

C Brown (Chair)
M Bailey****
K S Coghill
C P Gilbert*
Z Mensah**
A Misquitta
J M Molloy
C M Needham***
D J Smith
R Taylor
I Watson**
L Wright**

Solicitor

Bates Wells
London LLP
10 Queen Street Place
London
EC4R 1BE

Independent Examiner

Philip Lamb
Allen Sykes
5 Henson Close
South Church Enterprise Park
Bishop Auckland
County Durham
DL14 6WA

Banker

HSBC plc
165 Fleet Street
London
EC4A 4DY

Company Secretary

Bates Wells

* Independent trustee
** Appointed 16/07/19
*** Resigned 17/07/19
**** Resigned 05/05/20

Finance & Administration Committee

C Brown
J Fenwick
C P Gilbert
J M Molloy (Chair)

Registered Office

Unit B14
Durham Dales Centre Castle
Gardens
Stanhope
Bishop Auckland
DL13 2FJ

Principal Trading Office

Unit B14
Durham Dales Centre Castle
Gardens
Stanhope
Bishop Auckland
DL13 2FJ

Management Team

Managing Director
J Fenwick

Director of
Digital & Communications
R Cantrill-Fenwick†
T Dykes‡

Communications &
Media Manager
J Whitworth

Events Manager
F O'Donovan

Finance Manager
D Smith

Business Development
Support Manager
D Évangelides

Digital Communications
Officer
T Harris

Administrator
J Heppell

† Until May 2020

‡ From April 2020

Independent Examiner's Report

Independent examiner's report to the Trustees of The Association for Cultural Enterprises

I report to the trustees on my examination of the financial statements of The Association for Cultural Enterprises ('the charity') for the year ended 31 March 2020.

Responsibilities and basis of report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

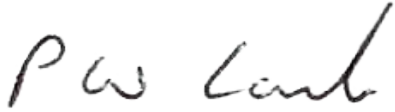
I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Independent Examiner's Report

Signed:



Dated:

02/11/2020

Mr P W Lamb FCA
Independent Examiner
Allen Sykes Limited
5 Henson Close
South Church Enterprise Park
Bishop Auckland
County Durham
DL14 6WA



Consolidated Statement of Financial Activities

For The Year Ended 31 March 2020

		Unrestricted Funds	Total Funds	Total Funds
		2020	2020	2019
	Note	£	£	£
Income from:				
Memberships	2	100,128	100,128	86,975
Grants	2	198,000	198,000	198,067
Educational activities	3	97,104	97,104	65,948
Trading activities	4	65,654	65,654	293,182
Investments	5	347	347	251
Total Income		461,233	461,233	644,423
Expenditure on:				
Trading activities	4	133,579	133,579	252,314
Charitable activities	6	364,546	364,546	310,565
Total expenditure		498,125	498,125	562,879
Net income / (expenditure) before other recognised gains and losses		(36,892)	(36,892)	81,544
Reconciliation of funds:				
Total funds brought forward		366,731	366,731	285,187
Total funds carried forward		329,839	329,839	366,731

All activities relate to continuing operations.
The notes on pages 28 to 36 form part of these financial statements.

Statement of Financial Position

As At 31 March 2020

	Note	Group 2020	Group 2019	Charity 2020	Charity 2019
Fixed assets					
Tangible assets	10	6,945	6,956	6,945	6,956
Investments				1	1
		6,945	6,956	6,946	6,957
Current assets					
Debtors	11	62,758	17,239	27,172	18,750
Cash at bank and in hand		513,877	414,102	380,764	376,350
		576,635	431,341	407,936	395,100
Creditors: amounts falling due within one year	12	253,741	71,566	17,118	35,326
Net current assets		322,894	359,775	390,818	359,774
Net assets		329,839	366,731	397,764	366,731
Charity Funds					
Unrestricted funds	13	329,839	366,731	397,764	366,731
Total funds		329,839	366,731	397,764	366,731

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ('the Act') and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved by the Trustees on 02/11/20 and signed on their behalf, by:



Caroline Brown

Chair of The Association for Cultural Enterprises
Company registered no. 06480726

The notes on pages 28 to 36 form part of these financial statements.

Notes to Financial Statements

For The Year Ended 31 March 2020

1. Accounting Policies

1.1 Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

The Association for Cultural Enterprises meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Statement of financial activities (SOFA) and Balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

1.2 Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 23. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements. Restricted reserves as at 31st March 2020 £0 (31 st March 2019: £0)

1.4 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the company which is the amount the company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt. The charity utilises voluntary speakers as well as extra Trustee time and does not recognise this service as a gift in kind.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified

Notes to Financial Statements

by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated equally between the charity and company.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

1.6 Going concern

In preparing the annual report and accounts, the Trustees have continued to adopt the going concern basis. Despite the impact of the Covid-19 pandemic, the Trustees believe the charity will continue to operate for a period of at least twelve months from the date of approval of these financial statements and will continue to meet its liabilities as they fall due for payment. The Trustees have reached this conclusion because the charity ended 2019/20 with a strong financial position and healthy, available reserves and has made full use of additional support, including the Coronavirus Job Retention Scheme, funding from Durham County Council and the Culture Recovery Fund. Plans are also in place to ensure the 2021 Conference and Trade Show will go ahead, although the format may need to be amended to account for social distancing or other measures.

1.7 Basis of consolidation

The financial statements consolidate the accounts of the Charity and all of its subsidiary undertakings ('subsidiaries').

The Charity has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own income and expenditure account.

The deficit for the year in the accounts of the charity was - £36,892 (2019: £81,544 surplus).

1.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

1.9 Tangible fixed assets

Individual fixed assets costing £250 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Computer equipment - straight line over 3 years

1.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Notes to Financial Statements

1.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pretax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.13 Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.14 Critical accounting judgements and key sources of estimation uncertainty

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and application of judgements are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

Management do not consider there to be any material accounting estimates or judgements that need disclosure in these financial statements.

2. Memberships and Grants

	2020 £	2019 £
Full memberships	60,865	49,840
Associate memberships	<u>39,263</u>	<u>37,135</u>
	<u>100,128</u>	<u>86,975</u>
Grants (Arts Council England)	198,000	198,067
Total memberships and grants	<u>298,128</u>	<u>285,042</u>

Notes to Financial Statements

3. Educational Activities

	2020 £	2019 £
Learning and development	66,212	43,198
Donated gifts and services	29,550	22,750
Cultural Enterprise Academy income	<u>1,342</u>	<u>-</u>
	<u>97,104</u>	<u>65,948</u>

The charity is grateful to the various organisations who donate their services and facilities for free or for reduced charge. An equivalent charge is included within charitable activities.

4. Trading Activities

	2020 £	2019 £
Trading Income		
Subsidiary company income	65,654	293,182
Trading Expenses		
Subsidiary company expenditure	<u>133,579</u>	<u>252,314</u>
Net income from trading activities	<u>(67,925)</u>	<u>40,868</u>

5. Investments

	2020 £	2019 £
Bank interest	347	251

6. Charitable Activities

	Governance £	Administration and Organisation £	Retail Resilience Programme £	Cultural Enterprises Academy £	Total 2020 £	Total 2019 £
Direct costs		59,682		14,670	74,352	42,975
Support costs	12,861	156,446		120,887	290,194	267,590
	<u>12,861</u>	<u>216,128</u>	<u>-</u>	<u>135,557</u>	<u>364,546</u>	<u>310,565</u>
Total 2019	14,768	186,753	1,381	107,663	310,565	

The breakdown of charitable activities is given in notes 7 & 8.

Notes to Financial Statements

7. Charitable Activities – Direct Costs

	Administration and Organisation £	Cultural Enterprises Academy £	Total 2020 £	Total 2019 £
Learning & Development	37,632	-	37,632	23,986
Conferences & Exhibitions	-	-	-	-
Development Costs	-	-	-	-
Training Day costs	-	-	-	1,257
Course costs	-	14,670	14,670	3,482
Donated Gifts & services	22,050	-	22,050	14,250
	59,682	14,670	74,352	42,975

8. Charitable Activities – Allocation of Support Costs

	Governance £	Administration and Organisation £	Retail Resilience Programme £	Cultural Enterprises Academy £	Total 2020 £	Total 2019 £
Legal & professional fees	3,248	286	-	17,294	20,828	13,911
Insurance	-	863	-	-	863	692
Administrative costs	-	32,753	-	16,674	49,427	60,624
Advertising & marketing	-	4,633	-	594	5,227	2,699
Accountancy fees	-	9,010	-	-	9,010	7,857
Independent examination fees	2,113	-	-	-	2,113	1,972
Travel & subsistence	-	23,795	-	2,789	26,584	21,462
Wages & salaries	-	65,336	-	83,536	148,872	132,446
Social Security costs	-	12,578	-	-	12,578	11,633
Pension costs	-	7,192	-	-	7,192	5,794
Donated Gifts & services	7,500	-	-	-	7,500	8,500
	12,861	156,446	-	120,887	290,194	267,590
Total 2019	14,768	£148,517	124	104,181	267,590	

Notes to Financial Statements

9. Staff Costs

	2020 £	2019 £
Wages and salaries	148,872	132,446
Social security costs	12,578	11,633
Pension costs	<u>7,192</u>	<u>5,794</u>
	<u>168,642</u>	<u>149,873</u>

The average number of persons employed by the company during the year was as follows:

	2020	2019
Administration and organisation	6	6

In addition to the above, the Trading Company incurred the following staff costs:

	2020 £	2019 £
Wages and salaries	68,782	68,409
Social security costs	3,188	3,314
Pension costs	<u>5,791</u>	<u>5,624</u>
	<u>77,761</u>	<u>77,347</u>

The average number of persons employed by the Trading Company during the year was as follows:

	2020	2019
Administration and organisation	2	2

No employee received remuneration amounting to more than £60,000 in either year. No remuneration, directly or indirectly, was paid or deemed payable for either period to any Trustee or persons known to be connected with them.

All members of staff are considered key management personnel. The total compensation paid to key management personnel is therefore the total staff costs.

Notes to Financial Statements

10. Tangible Fixed Assets – Group and Charity

	Computer equipment £	Total £
Cost		
At 1 April 2019	9,270	9,270
Additions	<u>3,435</u>	<u>3,435</u>
At 31 March 2020	<u>12,705</u>	<u>12,705</u>
Depreciation		
At 1 April 2019	2,314	2,314
Charge for the year	<u>3,446</u>	<u>3,446</u>
At 31 March 2020	<u>5,760</u>	<u>5,760</u>
Net book value		
At 31 March 2020	6,945	6,945
At 31 March 2019	6,956	6,956

11. Debtors

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Trade debtors	8,902	12,579	4,212	1,229
Amounts owed by group undertakings	-	-	16,541	17,422
Other debtors	-	1,613	-	-
Prepayments and accrued income	<u>53,856</u>	<u>3,047</u>	<u>6,419</u>	<u>99</u>
	<u>62,758</u>	<u>17,239</u>	<u>27,172</u>	<u>18,750</u>

12. Creditors: Amounts Falling Due Within One Year

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Income in advance	212,179			
Trade creditors	20,414	50,114	8,265	18,224
Other taxation & social security	15,890	5,499	4,795	5,499
Other creditors	2,308	11,785	2,308	8,635
Accruals & deferred income	<u>2,950</u>	<u>4,168</u>	<u>1,750</u>	<u>2,968</u>
	<u>253,741</u>	<u>71,566</u>	<u>17,118</u>	<u>35,326</u>

Notes to Financial Statements

13. Summary of Funds

	Brought Forward £	Income £	Expenditure £	Transfers £	Carried Forward £
General funds	123,990	408,722	445,354	-	87,358
Designated funds:					
– Association Development Fund	100,000	-	-	-	100,000
– Conference Expenses Fund	120,000	-	-	-	120,000
Academy Fund	<u>22,741</u>	<u>52,511</u>	<u>52,771</u>	<u>-</u>	<u>22,481</u>
Total	<u>366,731</u>	<u>461,233</u>	<u>498,125</u>	<u>0</u>	<u>329,839</u>

Details on funds can be found in the Finance Report (p16-18).

14. Analysis of Net Assets Between Funds

Group	Unrestricted funds	Total funds 2020	Total funds 2019
Tangible fixed assets	6,945	6,945	6,956
Current assets	576,635	576,635	431,341
Creditors less than 1 year	<u>(253,741)</u>	<u>(253,741)</u>	<u>(71,566)</u>
	<u>329,839</u>	<u>329,839</u>	<u>366,731</u>
Charity	Unrestricted funds	Total funds 2020	Total funds 2019
Tangible fixed assets	6,946	6,946	6,957
Current assets	407,936	407,936	395,100
Creditors less than 1 year	<u>(17,118)</u>	<u>(17,118)</u>	<u>(35,326)</u>
	<u>397,764</u>	<u>397,764</u>	<u>366,731</u>

15. Related Party Transactions

There have been no transactions undertaken with related parties during the year. Member organisations are not considered to be related parties.

Notes to Financial Statements

16. Events after Reporting Period

We are extremely grateful to the Culture Recovery Fund for the award of £137,892.

This will be utilised, in part, to offset the losses incurred due to the cancellation of the 2020 Conference and Trade Show.

17. Principal Subsidiaries

Cultural Enterprises (Trading) Limited

Subsidiary name	Cultural Enterprises (Trading) Limited
Company registration number	08690077
Country	United Kingdom
Equity shareholding %	100%
Directors	Julie Molloy Jill Fenwick Anthony Misquitta Chris Gilbert

The net assets for the year dealt with in the accounts of the subsidiary was £-67,924 (2019: £1).
The profit/(loss) for the year of the subsidiary undertakings was -£67,925 (2019: £nil).



Annual Report

2019–20

www.culturalenterprises.org.uk

Registered charity no. 1122763

#SustainingCulture

